

years from now, would say our problem is we have inflation pressures in this country because we do not have increases in productivity. If we have increases in productivity, that will deal with all of the other pressures that come to bear on the economy and offset them.

Now they are saying, but if workers become more productive, we are going to have to raise interest rates. You see, they are concerned about workers' pay. If workers in this country receive more pay, they say that is inflationary. So the workers are kind of stuck, aren't they?

The Fed has already said, if workers receive more money, that is going to drive up inflation. But in the past they have said, if workers' productivity goes up, that will be all right, because you can receive more money if you have greater productivity, right? You ought to. American workers ought to expect they would be able to share in their increased productivity and increased output.

Now the Fed is saying: That is not right either. Workers can be more productive, but we don't intend to see them get more money. We intend to continue to raise interest rates to slow down the American economy.

If workers in America become more productive, the Fed wants to go into a room tomorrow and penalize them—all of them. Talk about a goofy idea.

I was going to go through the entire article. I will not.

But let me do this, as I conclude. The folks who are going to do this, they all have gray suits, they all look like bankers, and they all think like bankers. They all have worked there for 100 years. These folks are confirmed by the Congress. To be appointed to the Board of Governors, they have to be confirmed by the Senate. But these other folks also serve on that Open Market Committee on a rotating basis—tomorrow five of them will be in a room with the Board of Governors. They are not confirmed by us. They represent their regional Federal Reserve Banks. They are all presidents of the regional banks. They are going to be voting.

I could have described what they said in that article. I could have described what Cathy Minehan said in that article. Strange. I don't understand this at all. Workers are more productive, and therefore you must penalize them? It used to be that people would say, if workers were more productive, they

would be able to expect to receive more wages.

None of you folks down at the Fed has ever given a whit about the top executives in this country who earn \$1 million, \$5 million, \$10 million, \$100 million, or \$200 million a year. You all have seen those numbers. I have spoken about some of them on the floor. It does not matter to these folks if the upper crust is getting a lot of money. But let the American workers get a gain in productivity and an increase in wages, and then you have these folks running in a room, closing the door, and, in secret, deciding they want to impose another higher interest rate on the American people. There is no justification for it at all.

The core Producer Price Index is up only three-tenths of 1 percent over the past 6 months. Retail sales are down. Auto sales fell seven-tenths of 1 percent—the second straight monthly drop. Building material sales are down 1.6 percent. These are the last monthly figures. There is no justification at all.

The only thing I can conceive of is these people just do not sleep. They see things that do not exist. Imagine how they must feel when the lights are turned off. They see inflation that does not exist.

For nearly a year they have been worried about inflation that does not exist. They have been willing to impose a penalty on the American economy and the average American household to the tune of \$1,210 a year.

What do you think people would say if this Congress said: We have a proposal; let's increase taxes on the American people \$1,210 a year on the average household? They would have apoplectic seizures around here. But these folks are doing it in secret, with no justification at all. Why? Because they tilt on the side of money center banks on the question of monetary policy. They always tilt that way. It is funny they can stand up, they tilt so far.

It seems to me this country deserves a monetary policy that allows workers in our factories, on our main streets, in our towns, to be more productive and to be able to receive the rewards of that increased productivity.

If these folks close that door tomorrow—and they will; mark my words—and increase interest rates another full one-half percent—and that is likely what they are going to do—they are going to continue to injure this economy and injure the American workers.

I said before that Mr. Greenspan has sort of used himself as a set of human

brake pads. His only mission in life somehow is to slow down the American economy. He has always insisted we could not grow more than 2.5 percent without more inflation and that we couldn't go below 6 percent unemployment without more inflation. He has been wrong on both counts. We have been below 6 percent unemployment for 5 years, and inflation has gone down. We have had more than 2.5-percent economic growth for some long while, and inflation has gone down.

At some point, the American people, through this Congress, ought to ask the tough questions of this Federal Reserve Board: How do you continue to justify this? How do you justify this at a time when there is no evidence of real inflationary trouble in this country, risking ruining our economy, ruining continuous economic growth for some while and imposing on the backs of the American citizen, on the backs of the average families in this country, such a significant penalty? It is wrong, wrong, wrong.

I will have more to say about this tomorrow, after the Federal Reserve Board meeting.

Madam President, I guess that ends the business for today.

I yield back my time.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in adjournment until 9:30 a.m. tomorrow.

Thereupon, the Senate, at 5:16 p.m., adjourned until Tuesday, May 16, 2000, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 15, 2000:

DEPARTMENT OF STATE

PAMELA E. BRIDGEWATER, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BENIN.

DEPARTMENT OF JUSTICE

GLENN A. FINE, OF MARYLAND, TO BE INSPECTOR GENERAL, DEPARTMENT OF JUSTICE, VICE MICHAEL R. BROMWICH, RESIGNED.

DEPARTMENT OF VETERANS AFFAIRS

THOMAS L. GARTHWAITE, OF PENNSYLVANIA, TO BE UNDER SECRETARY FOR HEALTH OF THE DEPARTMENT OF VETERANS AFFAIRS FOR A TERM OF FOUR YEARS, VICE KENNETH W. KIZER, TERM EXPIRED.